Law of contract

Up to now, we were talking about ethics to fulfil an agreement or liabilities in different ways, now let’s see what the law says about the fulfilment of an agreement or liabilities.

Definition of contract

An agreement which creates legal obligations is a contract.

Pollack: “every agreement and promise enforceable at law is a contract.”

Salmond: “a contract is an agreement creating and defining obligations between the parties”.

Pakistan contract act: “an agreement enforceable by law is a contract”

Agreement: any promise forming the consideration for each other is agreement.

Promise: a proposal (offer) when accepted become a promise.

Offer: willingness to do or not to do something to obtain the consent of another person it is also known as proposal.

Acceptance: when a person to whom the proposal is made signifies his assent (approval).

Immanuel Kant, in his "Doctrine of Right," tells us that everyone easily understands "I must." The duty to keep promises is a categorical imperative. It is a universal law.

Categorical Imperative: "Act only in accordance with that maxim through which you can at the same time will that it become a universal law." legal duty to perform a contractual obligation

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Basic components of contract: (1) it must have held between two or more parties. (2) there must be some consideration (give and take) between the parties. (3) it must have the assent (accepted) between parties. (4) it should have some time duration. (5) not necessary but may have damages on breaching of contract. (6) not necessary but better to have wittiness on the contract.